

1956

ANNUAL REPORT

OF

The Belt Railway Company

of CHICAGO

FOR THE

YEAR ENDED DECEMBER 31, 1956

BOARDS

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ANNUAL REPORT
OF
The Belt Railway Company
of CHICAGO
FOR THE
YEAR ENDED DECEMBER 31, 1956

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

ORGANIZATION

DIRECTORS

R. G. RYDIN, The Atchison, Topeka and Santa Fe Ry. Co.....	Chicago Ill.
M. M. CRONK, The Chesapeake and Ohio Ry. Co.....	Cleveland, Ohio
J. E. DOYLE, The Chesapeake and Ohio Ry Co.....	Cleveland, Ohio
CLAIR M. RODDEWIG, Chicago and Eastern Illinois R. R. Co.....	Chicago, Ill.
L. R. CAPRON, Chicago, Burlington & Quincy R. R. Co.....	Chicago, Ill.
R. E. JOHNSON, Chicago, Rock Island & Pacific R. R. Co.....	Chicago, Ill.
GARRET C. WHITE, Erie R. R. Co.....	Cleveland, Ohio
F. A. GAFFNEY, Grand Trunk Western R. R. Co.....	Detroit, Mich.
O. H. ZIMMERMAN, Illinois Central R. R. Co.....	Chicago, Ill.
WARREN W. BROWN, Monon Railroad.....	Chicago, Ill.
H. H. PEVLER, Pennsylvania Co.....	Chicago, Ill.
ARTHUR K. ATKINSON, Wabash R. R. Co.....	St. Louis, Mo.
R. R. GALLIGAN, Wisconsin Central R. R. Co.....	Minneapolis, Minn.

EXECUTIVE COMMITTEE

L. R. CAPRON, Chairman	
ARTHUR K. ATKINSON	R. E. JOHNSON
M. M. CRONK	CLAIR M. RODDEWIG

OFFICERS

PRESIDENT AND GENERAL MANAGER.....	L. A. EVANS
VICE PRESIDENT—TRAFFIC.....	F. J. WASSON
GENERAL COUNSEL.....	F. C. GAGEN
SECRETARY AND TREASURER.....	J. R. EK HOLM
AUDITOR.....	I. A. SCHILKE
ASSISTANT AUDITOR.....	C. L. HOLT
ASSISTANT SECRETARY AND ASSISTANT TREASURER.....	G. D. MORIARTY

GENERAL OFFICES

DEARBORN STATION, CHICAGO, ILLINOIS

ANNUAL MEETING OF STOCKHOLDERS

SECOND TUESDAY IN APRIL EACH YEAR AT CHICAGO, ILLINOIS

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

Chicago, April 9, 1957

To the Stockholders of the Belt Railway Company of Chicago:

The Board of Directors herewith submits its report of operations for the year ended December 31, 1956.

CONDENSED INCOME STATEMENT

For the Years ended December 31, 1956 and 1955

	1956	1955	Increase—I Decrease—D
Railway operating revenues.....	\$15,504,621.45	\$14,358,561.77	I \$1,146,059.68
Railway operating expenses.....	10,346,137.01	9,194,855.61	I 1,151,281.40
Net revenue from railway operations	\$ 5,158,484.44	\$ 5,163,706.16	D\$ 5,221.72
Railway tax accruals.....	\$ 1,595,266.59	\$ 1,677,900.50	D\$ 82,633.91
Railway operating income.....	\$ 3,563,217.85	\$ 3,485,805.66	I \$ 77,412.19
Net rents — debit.....	\$ 1,640,156.47	\$ 1,206,687.73	I \$ 433,468.74
Net railway operating income.....	\$ 1,923,061.38	\$ 2,279,117.93	D\$ 356,056.55
Other income	\$ 158,087.52	\$ 134,463.67	I \$ 23,623.85
Total income	\$ 2,081,148.90	\$ 2,413,581.60	D\$ 332,432.70
Miscellaneous deductions from income	\$ 1,220.73	\$ 1,223.16	D\$ 2.43
Income available for fixed charges	\$ 2,079,928.17	\$ 2,412,358.44	D\$ 332,430.27
Fixed charges	\$ 1,895,306.28	\$ 1,983,502.02	D\$ 88,195.74
Net income for year.....	\$ 184,621.89	\$ 428,856.42	D\$ 244,234.53

GENERAL REMARKS

The following narration supplements detailed statistical statements contained herein summarizing operations and financial data and is intended to give basic information in understandable and condensed form to those receiving the Annual Report.

During the year 1956, operating expenses were kept to a minimum consistent with a high level of service. Although we received an increase in switching charges, the benefit of this increase was more than offset by higher wage rates, increased health and welfare benefits for employees, and a rise in costs of materials and supplies.

CARS HANDLED:

A total of 2,002,265 cars were handled in 1956, an increase of 62,544 cars, or 3.2 per cent, compared with 1955.

OPERATING REVENUES:

Operating revenues of \$15,504,621 were \$1,146,060, or 8.0 per cent, ahead of 1955, and for the second straight year established a new all-time high mark.

RATES:

As a result of rate increases allowed by the Interstate Commerce Commission under Ex Parte 196 and 206 on interstate traffic effective March 7, 1956 and December 28, 1956, and by the Illinois Commerce Commission on intrastate traffic effective March 22, 1956, the Belt's average switching charges at the close of 1956 were 10 per cent higher than at the close of 1955.

OPERATING EXPENSES:

The gross cost of maintaining and operating the railroad, \$12,589,962, was \$1,361,855 or 12.1 per cent, greater than in 1955, due principally to higher wage rates in amount of \$680,261 and charges aggregating \$165,389 incident to the improvement program during the year. Operating ratio was 66.73 in 1956 compared with 64.04 the previous year.

MAINTENANCE OF WAY AND STRUCTURES:

Gross Maintenance of Way and Structures expense decreased \$52,761, or 3.1 per cent; that portion chargeable to Belt Railway Separate Operation increased \$4,816, or .4 per cent, compared with the previous year. Higher wage rates increased Maintenance of Way expense \$60,159. The increase of \$10,278 in "Superintendence," \$38,131 in "Roadway Maintenance" and \$25,391 in "Track Laying and Surfacing" reflects charges incident to the rearrangement of tracks and construction of new tracks and other facilities to serve the Rail to Water Transfer Corporation, South Chicago. The increase of \$47,350 in "Bridges, Trestles and Culverts" is principally due to greater bridge steel repair program and extensive repairs to Argo trestle, Clearing. The decrease of \$16,058 in "Wharves and Docks" is due to replacement previous year of timber dock wall with steel sheeting north side, Slip No. 2, South Chicago. The decrease of \$19,517 in "Signals and Interlockers" is due to decrease in replacement of retarder units, Clearing Yard. The increase of \$11,395 in "Other Expenses" reflects principally the cost of health and welfare benefits for non-operating employees effective March 1, 1955 and for their dependents effective November 1, 1956.

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Rail replacement program during 1956 included the renewal of 872 gross tons of new and 801 gross tons of second-hand rail which compares with renewal of 3,116 gross tons of new and 2,503 gross tons of second-hand rail during the previous year. Unavailability of rail requirements until the fourth quarter precluded heavier rail replacements during 1956. Increased tonnage of rail renewals included in the 1957 program.

Twenty-six turnouts and two crossings were renewed with heavier material which compares with renewal of forty-seven turnouts and three crossings in the previous year.

There were 6,539 cross ties and 98,479 feet B.M. switch ties installed during the year which compares with 3,503 cross ties and 48,304 feet B.M. switch ties placed in track in 1955.

MAINTENANCE OF EQUIPMENT:

Gross Maintenance of Equipment expense increased \$151,129, or 12.1 per cent, and that portion chargeable to Belt Railway Separate Operation increased \$127,833, or 11.8 per cent, compared with the previous year. Higher wage rates increased Maintenance of Equipment expense \$43,902. The increase of \$127,159 in "Other Locomotives - Repairs" reflects heavier Diesel locomotive repairs, particularly in connection with program of overhauling our 450-class 1500 H.P. units which are now eight years old.

TRAFFIC:

Gross Traffic expense increased \$11,768, or 16.1 per cent, and that portion of Traffic expense chargeable to Belt Railway Separate Operation increased \$9,644, or 16.5 per cent. Higher wage rates increased Traffic expense \$2,680. The increase of \$5,644 in "Superintendence" and the increase of \$6,539 in "Outside Agencies" are principally due to the establishment during the year of the position of Traffic Manager, and two General Agents, one located in Portland, Oregon, to handle sales and service matters in the northwestern part of the United States, and the other agency in Atlanta, Georgia, to handle similar work in the south and southeastern part of the United States.

TRANSPORTATION:

Gross Transportation expense increased \$1,178,915, or 15.4 per cent, and that portion chargeable to Belt Railway Separate Operation increased \$950,272, or 15.0 per cent, compared with the previous year. Higher wage rates increased Transportation expense \$557,523. The increase of \$122,836 in "Station Employees" reflects the higher wage rates and the temporary increase in clerical expense during transition period from manual to machine operation of interchange and accounting procedures.

GENERAL:

Gross General Expense increased \$72,804, or 13.1 per cent, and that portion chargeable to Belt Railway Separate Operation increased \$58,716, or 13.2 per cent, compared with the previous year. Higher wage rates increased General Expense \$15,996. Increase of \$38,062 in "General Office Supplies and Expenses" represents principally charge covering alterations to Auditing and Treasury offices, including conference room, Dearborn Station; also increased rental for use of rooms, Dearborn Station. The increase of \$9,741 in "Pensions and Gratuities" reflects principally the expense incident to non-contributory group life insurance plan for officers

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and employees who receive fixed salaries and are not entitled to overtime.

RAILWAY TAX ACCRUALS:

Decrease of \$82,634 is principally due to decrease in Income tax and General Property tax accruals.

JOINT FACILITY RENT INCOME:

Increase of \$283,966 is due principally to decrease in amount of Belt Separate Operation gain in 1956 returned to owner lines as a reduction of working expenses.

HIRE OF FREIGHT CARS:

Increase of \$716,191 is due principally to increase in the number of per diem cars handled and greater detention of business, particularly industrial detention.

INTEREST INCOME:

Increase of \$15,224 reflects principally interest from C. & W. I. First Collateral Trust Mortgage 4 $\frac{3}{8}$ % Bonds, Series "A", purchased during June, July and August 1955 from funds representing accrued depreciation on leased road property.

RENT FOR LEASED ROADS AND EQUIPMENT:

Decrease of \$84,043 is principally due to payment previous year as rental to the Chicago and Western Indiana Railroad Company covering income tax on profit from sales of leased property during the period 1952 to 1954, inclusive.

DIVIDEND:

Dividend of \$187,200, or 6.0 per cent, on the capital stock of the company was declared and paid on December 26, 1956.

EMPLOYEE RELATIONS:

We firmly believe that good employee relations are an indispensable element to the successful operation of any enterprise. On the management's side, the company has tried to merit the intelligent cooperation of its employees and their representatives—and in a large measure these efforts have been reciprocated. During 1956 employee development continued to receive the special attention of the management. Progress has been made in the development of a personnel procedure designed to bring into the company the best personnel and provide for their proper placement and progressive development. Progress is also being made in the development of a suggestion system, and performance appraisal for officers and supervisors.

A program of mailing information to the personnel of the railroad at their homes through the medium of a monthly magazine, THE COUPLER, provides a means of mutual benefit to the company and its employees through a selection of material designed to increase knowledge and understanding of railroad progress and problems.

During the year the company made available a non-contributory group life insurance plan to certain of its officers and employees who receive fixed salaries and are not entitled to additional pay for overtime work, and a non-contributory hospitalization plan to others in this group.

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The number of employees at the year end was 1,873.

Following pattern established in previous years, the labor organizations representing the various classes and crafts of employees served formal notices in accordance with the requirement of Section 6 of the Railway Labor Act, as amended, demanding increases in rates of pay as well as improved working conditions and benefits. Briefly, the handling of such requests is outlined as follows:

REQUEST OF NON-OPERATING EMPLOYEES FOR A TWENTY-FIVE (25) CENTS PER HOUR WAGE INCREASE. (NOTICE SERVED JUNE 20, 1956)

Under National Agreement dated November 1, 1956, between the participating carriers, including The Belt Railway Company of Chicago, the non-operating employees represented by Eleven Co-operating Railway Labor Organizations were granted an increase of ten (10) cents per hour effective November 1, 1956; also, second and third year increases of seven (7) cents per hour effective November 1, 1957 and November 1, 1958, respectively.

This agreement, which is effective until October 31, 1959, also provides for semi-annual cost-of-living adjustment commencing May 1, 1957, to be determined in accordance with changes in BLS Consumer's Price Index, with one (1) cent per hour adjustment for each .5 point change in the index computed upon the base index of 117.1 for September 1956.

In addition to the wage rate adjustments, the health and welfare plan under which the carriers assume the full cost for eligible employees has been extended to cover dependents of employees covered thereby effective with November 1956 at a cost to the company of \$4.25 per month for each eligible employee.

Under the provisions of this agreement, no carrier or organization will serve any notice or progress any pending notice to increase or decrease rates of pay established by the agreement dated November 1, 1956; increase or decrease rates of compensation for overtime, arbitraries, Sunday or holiday payments, paid vacation days, pay for hospital, medical and surgical benefits.

REQUEST OF B. OF L. F. & E. THAT ALL EMPLOYEES REPRESENTED BY THAT ORGANIZATION BE GRANTED AN INCREASE OF \$3.00 PER DAY; A HOSPITAL, SURGICAL AND MEDICAL INSURANCE PLAN WITHOUT COST TO THE EMPLOYEES. (NOTICE SERVED JANUARY 30, 1956)

Under a National Agreement dated November 20, 1956, between the participating carriers, including The Belt Railway Company of Chicago, basic hourly rates applicable to locomotive firemen (helpers) were increased sixteen (16) cents per hour effective November 1, 1956. A second year increase of seven (7) cents per hour was granted to all firemen effective November 1, 1957, with the understanding that an amount within the limits of that increase (seven cents per hour) may be used for a hospital, medical and surgical plan to be established by agreement between the parties to be effective not earlier than November 1957; also increase of seven (7) cents per hour effective November 1, 1958.

Cost-of-living adjustment and moratorium provisions are the same as included in the Non-op agreement dated November 1, 1956.

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REQUEST OF SUPERVISORS (MECHANICAL DEPARTMENT AND ELECTRICAL FOREMEN) REPRESENTED BY THE AMERICAN RAILWAY SUPERVISORS ASSOCIATION FOR INCREASE OF \$75.00 PER MONTH. (NOTICE SERVED JULY 2, 1956)

and

REQUEST OF PATROLMEN REPRESENTED BY RAILWAY PATROLMEN'S INTERNATIONAL UNION FOR INCREASE OF TWENTY-FIVE (25) CENTS PER HOUR. (NOTICE SERVED JUNE 20, 1956)

Both requests were settled on the property by agreements made in December 1956 containing the same provisions as contained in the Non-op agreement dated November 1, 1956.

REQUEST OF BROTHERHOOD OF RAILROAD TRAINMEN FOR \$3.00 PER DAY INCREASE FOR ALL EMPLOYEES REPRESENTED BY THAT ORGANIZATION INCLUDING YARD SERVICE AND YARDMASTERS. ALSO, PAYMENT FOR SEVEN HOLIDAYS WHEN THEY FALL ON AN EMPLOYEE'S WORK DAY AT PRO RATA RATE WHEN NOT WORKED AND AT OVERTIME RATE WHEN WORKED PLUS A STRAIGHT TIME DAY. (NOTICE SERVED FEBRUARY 15, 1956)

Hearings have been held by an Emergency Board appointed by the President of the United States. Report by that Board is to be made on or before March 18, 1957.

REQUEST OF TRAIN DISPATCHERS REPRESENTED BY AMERICAN TRAIN DISPATCHERS ORGANIZATION FOR INCREASE OF TWENTY (20) PER CENT IN MONTHLY RATES. (NOTICE SERVED JUNE 1, 1956)

This request is being handled by the three Regional Carriers' Conference Committees.

REQUEST OF LOCOMOTIVE ENGINEERS REPRESENTED BY BROTHERHOOD OF LOCOMOTIVE ENGINEERS FOR INCREASE IN BASIC DAILY RATES OF FIFTEEN (15) PER CENT. (NOTICE SERVED SEPTEMBER 1, 1956)

This request is being handled by the three Regional Conference Committees.

ADDITIONS AND BETTERMENTS:

Detailed statement of Additions and Betterments during the year is given on pages 14 and 15, the principal project being the rearrangement of tracks and construction of new track and other facilities to serve the Rail to Water Transfer Corporation, South Chicago, which work extended into 1957.

Two 1750 H.P. Diesel locomotives, Nos. 480 and 481, were purchased during 1956 and placed in service in June and October, respectively. Order was placed in December for one 900 H.P. Diesel locomotive on which delivery is expected in March 1957.

NEW INDUSTRIES:

During the year ten new industries were located, the same number of new industries located in 1955.

At the close of 1955 season of navigation, Rail to Water Transfer Corporation dismantled their lake coal loading facilities at South Chicago and started the construction of completely new and modern coal unloading facilities at the same location, consisting of two individual docks, each dock large enough to berth the largest vessels operating on the lakes, where coal could be unloaded to vessels at each dock independently of the

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other dock. The first, or north, dock was placed into regular service on April 8 and the second, or south, dock on August 7. Coal tonnage handled over the facilities during the year totaled 6,321,788 tons which exceeded by 1,401,467 tons, or 28.5 per cent, the previous high tonnage handled in 1955.

CHICAGO REGIONAL PORT AUTHORITY:

In 1956 the Chicago Regional Port Authority completed in the Lake Calumet area the construction of docks and grain elevators with capacity of 13,000,000 bushels, supporting yard tracks for elevators, transfer sheds and backup warehouses, all of which have been leased out by the Port Authority. Industrial and lead tracks were also constructed.

The matter of railroad service to the port tracks and facilities in the Calumet area by other than the Rock Island, the only railroad presently serving the facilities, continued to be an active one throughout the year with the Belt participating in that activity in an effort to gain access to and serve industries in the Port Authority area. The Special Committee of the Board of Directors handling the matter of access to the port concluded that the Belt should join with the Illinois Central, Kensington and Eastern, Chicago South Shore and South Bend, and Pennsylvania on trackage agreements to reach the Port Authority property over the tracks of those railroads presently in use or to be constructed in the future, and trackage agreements were under negotiation with those roads at the close of the year. When trackage agreements have been negotiated, the Belt will petition the Commission for the necessary authority to extend its railroad by reason of such trackage arrangements.

DIRECTORS:

At the adjourned annual meeting of the stockholders held on April 10, Mr. O. H. Zimmerman was elected a Director to take the place of Mr. Clyde J. Fitzpatrick, resigned.

ORGANIZATION CHANGES:

Mr. Joseph Kievernagel, Assistant Secretary, retired on September 30, 1956, after 46 years of faithful service.

Mr. William J. Collins, Treasurer, retired on December 31, 1956, after 44 years of faithful service.

Mr. John R. Ekholm, formerly Secretary and Assistant Treasurer, was elected Secretary and Treasurer effective January 1, 1957.

Mr. Gordon R. Payne was appointed Traffic Manager effective November 19, 1956.

Detailed statement of the accounts of the Company will be found in the following tables.

The Board desires to express its appreciation for the cooperation and contributions of the employees and managerial staffs during the past year.

Respectfully submitted by order of the Board of Directors.

L. A. EVANS

President and General Manager

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INCOME STATEMENT

For the Year ended December 31, 1956, compared with the
Year ended December 31, 1955.

	1956	1955	Increase—I Decrease—D	
			Amount	Percent
RAILWAY OPERATING REVENUES:				
Intermediate switching	\$ 6,118,214.96	\$ 5,903,433.66	I \$ 214,781.30	I 3.64
Local switching	9,062,415.71	8,224,996.43	I 837,419.28	I 10.18
Storage - Freight	505.13	2.34	I 502.79	.....
Demurrage	277,250.88	196,899.74	I 80,351.14	I 40.81
Rents of buildings and other property	262.00	380.00	D 118.00	D 31.05
Miscellaneous	45,972.77	32,849.60	I 13,123.17	I 39.95
Total railway operating revenues	\$15,504,621.45	\$14,358,561.77	I \$1,146,059.68	I 7.98
RAILWAY OPERATING EXPENSES:				
Maintenance of way and structures	\$ 1,262,240.04	\$ 1,257,423.78	I \$ 4,816.26	I .38
Maintenance of equipment	1,214,696.72	1,086,864.22	I 127,832.50	I 11.76
Traffic	68,197.58	58,553.77	I 9,643.81	I 16.47
Transportation—Rail Line	7,298,608.61	6,348,336.13	I 950,272.48	I 14.97
General	502,394.06	443,677.71	I 58,716.35	I 13.23
Total railway operating expenses	\$10,346,137.01	\$ 9,194,855.61	I \$1,151,281.40	I 12.52
(Details pages 17-20)				
Net revenue from railway operations	\$ 5,158,484.44	\$ 5,163,706.16	D \$ 5,221.72	D .10
Operating ratio	66.73	64.04	.....	I 2.69
RAILWAY TAX ACCRUALS:				
General property	\$ 798,259.63	\$ 918,520.06	D \$ 120,260.43	D 13.09
Federal Income	221,387.66	316,046.86	D 94,659.20	D 29.95
Retirement	460,374.25	406,139.64	I 54,234.61	I 13.35
Unemployment	110,423.21	32,548.80	I 77,874.41	I 239.25
Other	4,821.84	4,645.14	I 176.70	I 3.80
Total railway tax accruals..	\$ 1,595,266.59	\$ 1,677,900.50	D \$ 82,633.91	D 4.92
Railway operating income....	\$ 3,563,217.85	\$ 3,485,805.66	I \$ 77,412.19	I 2.22
RENT INCOME:				
Rent from locomotives	\$ 16,079.00	\$ 24,880.10	D \$ 8,801.10	D 35.37
Rent from work equipment	1,463.86	1,874.99	D 411.13	D 21.93
Joint facility rent income	120,541.51	Dr. 163,424.57	I 283,966.08	.....
Total Rent income	\$ 138,084.37	\$ Dr136,669.48	I \$ 274,753.85	.....
RENTS PAYABLE:				
Hire of freight cars—				
Debit balance	\$ 1,619,793.68	\$ 903,602.66	I \$ 716,191.02	I 79.26
Joint facility rents	158,447.16	166,415.59	D 7,968.43	D 4.79
Total rents payable	\$ 1,778,240.84	\$ 1,070,018.25	I \$ 708,222.59	I 66.19
Net rents—debit	\$ 1,640,156.47	\$ 1,206,687.73	I \$ 433,468.74	I 35.92
Net railway operating income	\$ 1,923,061.38	\$ 2,279,117.93	D \$ 356,056.55	D 15.62

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INCOME STATEMENT—Concluded

**For the Year Ended December 31, 1956, compared with the year
ended December 31, 1955**

	1956	1955	Increase—I Decrease—D	
			Amount	Percent
OTHER INCOME:				
Income from lease of road and equipment	\$ 21,863.88	\$ 21,859.46	I \$ 4.42	I .02
Miscellaneous rent income.....	97,409.65	89,015.41	I 8,394.24	I 9.43
Interest income	38,761.99	23,537.80	I 15,224.19	I 64.68
Miscellaneous income	52.00	51.00	I 1.00	I 1.96
Total other income.....	\$ 158,087.52	\$ 134,463.67	I \$ 23,623.85	I 17.57
Total income	\$2,081,148.90	\$2,413,581.60	D \$332,432.70	D 13.77
MISCELLANEOUS DEDUCTIONS FROM INCOME:				
Miscellaneous rents	\$ 895.73	\$ 895.73		
Miscellaneous income charges.....	325.00	327.43	D 2.43	D .74
Total miscellaneous deductions	\$ 1,220.73	\$ 1,223.16	D \$ 2.43	D .20
Income available for fixed charges	\$2,079,928.17	\$2,412,358.44	D \$332,430.27	D 13.78
FIXED CHARGES:				
Rent for leased roads and equipment	\$1,862,974.02	\$1,947,016.81	D \$ 84,042.79	D 4.32
(Detail page 16)				
Interest on funded debt.....	32,332.26	36,485.21	D 4,152.95	D 11.38
Total fixed charges.....	\$1,895,306.28	\$1,983,502.02	D \$ 88,195.74	D 4.45
Net income after fixed charges and other deductions	\$ 184,621.89	\$ 428,856.42	D \$244,234.53	D 56.95
DISPOSITION OF NET INCOME:				
Dividend appropriations of income	\$ 184,621.89	\$ 187,200.00	D \$ 2,578.11	D 1.38
Balance of income transferred to profit and loss.....		\$ 241,656.42	D \$241,656.42	D 100.00

EARNED SURPLUS STATEMENT

For the year ended December 31, 1956

Credit balance, January 1, 1956.....	None
Add:	
Miscellaneous credits	\$2,601.57
Deduct:	
Dividend appropriations of surplus.....	\$2,578.11
Miscellaneous debits	23.46
Balance, December 31, 1956.....	None

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COMPARATIVE GENERAL BALANCE SHEET

ASSETS

	December 31, 1956	December 31, 1955	Increase—I Decrease—D
INVESTMENTS:			
Road	\$ 524.06	\$ 524.06	
Equipment (See pages 15 and 22)	4,474,356.40	4,473,201.65	I 1,154.75
Accrued depreciation — Equipment	Cr1,211,939.38	Cr1,040,341.03	D 171,598.35
Other investments	2,105,687.75	2,100,167.75	I 5,520.00
Total	\$ 5,368,628.83	\$ 5,533,552.43	D\$164,923.60
CURRENT ASSETS:			
Cash	\$ 1,390,386.25	\$ 1,377,109.23	I \$ 13,277.02
Temporary cash investments	275,124.21	520,873.14	D 245,748.93
Traffic and car service balances—Dr.	616,147.28	775,489.34	D 159,342.06
Net balance receivable from agents and conductors	80,973.63	41,469.62	I 39,504.01
Miscellaneous accounts receivable	1,249,622.22	1,111,773.96	I 137,848.26
Material and supplies	1,012,418.92	647,262.65	I 365,156.27
Interest and dividends receivable	4,038.81	3,382.56	I 656.25
Accrued accounts receivable	689,952.69	713,855.18	D 23,902.49
Other current assets		1,706.25	D 1,706.25
Total	\$ 5,318,664.01	\$ 5,192,921.93	I \$125,742.08
DEFERRED ASSETS:			
Working fund advances	\$ 699.09	\$ 621.09	I \$ 78.00
Other deferred assets	44,856.86	117,143.01	D 72,286.15
Reserve for replacement of equipment leased from C. & W. I. R. R. Co.—Re- tired. Equipment purchased from pay- ments made by Belt Ry. Co., in antic- ipation of retirements	912,129.57	845,908.86	I 66,220.71
Total	\$ 957,685.52	\$ 963,672.96	D\$ 5,987.44
UNADJUSTED DEBITS:			
Prepayments	\$ 238,438.43	\$ 282,191.61	D\$ 43,753.18
Other unadjusted debits	3,236.87	6,986.35	D 3,749.48
Total	\$ 241,675.30	\$ 289,177.96	D\$ 47,502.66
Total	\$11,886,653.66	\$11,979,325.28	D\$ 92,671.62

NOTE.—Equipment leased by this company from Chicago and Western Indiana Rail-
road Company as of December 31, 1956, is valued at \$1,892,352.81 including \$931,151.81
inventory value of equipment leased November 1st, 1912.

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DECEMBER 31, 1956 AND DECEMBER 31, 1955

LIABILITIES

	December 31, 1956	December 31, 1955	Increase—I Decrease—D
CAPITAL STOCK:			
Common Stock (A)	\$ 3,120,000.00	\$ 3,120,000.00	.....
LONG TERM DEBT:			
Equipment obligations	\$ 1,298,000.00	\$ 1,617,985.61	D\$319,985.61
Amounts payable to affiliated companies	1,265,625.48	1,121,553.83	I 144,071.65
Total	\$ 2,563,625.48	\$ 2,739,539.44	D\$175,913.96
CURRENT LIABILITIES:			
Audited accounts and wages payable.....	\$ 1,231,370.67	\$ 972,950.18	I \$258,420.49
Miscellaneous accounts payable.....	209,087.66	206,704.92	I 2,382.74
Unmatured interest accrued.....	7,301.25	8,628.75	D 1,327.50
Accrued accounts payable.....	499,888.60	505,863.45	D 5,974.85
Taxes accrued	1,525,200.31	1,658,461.30	D 133,260.99
Other current liabilities.....	11,405.59	7,346.40	I 4,059.19
Total	\$ 3,484,254.08	\$ 3,359,955.00	I \$124,299.08
DEFERRED LIABILITIES:			
Other deferred liabilities.....	\$ 39,220.19	\$ 46,141.40	D\$ 6,921.21
Reserve for replacement of equipment leased from C&WI R. R. Co.—Retired —Equipment in the original inventory and replacements thereof.....	106,350.41	283,236.23	D 176,885.82
Reserve for replacement of equipment leased from C&WI R. R. Co.—Retired —Equipment purchased from bond pro- ceeds and replacements thereof.....	537,447.70	537,447.70	.....
Reserve for replacement of fixed physical property retired and not replaced. Lease November 1, 1912 with C&WI R. R. Co.....	9,350.12	9,350.12	.....
Total	\$ 692,368.42	\$ 876,175.45	D\$183,807.03
UNADJUSTED CREDITS:			
Other unadjusted credits.....	\$ 10,524.18	\$ 2,240.00	I \$ 8,284.18
Reserve for depreciation on road prop- erty leased from C&WI R. R. Co.....	1,265,923.12	1,155,423.24	I 110,499.88
Reserve for depreciation on equipment leased from C&WI R. R. Co.....	749,958.38	725,992.15	I 23,966.23
Total	\$ 2,026,405.68	\$ 1,883,655.39	I \$142,750.29
SURPLUS:			
Earned surplus—Unappropriated.....	.....	.....	.....
Total surplus .....	.....	.....	.....
Total	\$11,886,653.66	\$11,979,325.28	D\$ 92,671.62

(A) Owned one-thirteenth each—AT&SFE, C&EI, CB&Q, Erie, CRI&P, GTW, IC, Monon, Penn., Wabash, Wisconsin Central.
Two-thirteenths C&O

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

ADDITIONS AND BETTERMENTS

For the year ended December 31, 1956

ROAD LEASED FROM C. & W. I. R. R. Co.:			
EXPENDITURES AND RETIREMENTS			
DURING THE YEAR:			
Added:			
Rearrangement and additional tracks to serve Rail to Water facilities.....		\$416,371.65	
Interlocking east end switches at Clearing including track changes.....		52,624.12	
Roadway machinery and tools.....		44,094.94	
Miscellaneous improvements and adjustments:			
Clearing Yard		24,985.24	
Outside Clearing Yard.....		3,773.40	
Increase weight of rail, improvements, and switches:			
Clearing Yard		22,260.43	
Outside Clearing Yard.....		10,589.56	
Industry Tracks:			
National Cylinder Gas Co.....		12,469.54	
Mahoney Distributing Co.....		2,518.26	
		<u>\$589,687.14</u>	
Retired:			
Real Estate and special assessments....	\$40,496.85		
Subway bridge embankment, etc., account Congress Street Expressway....	34,184.47		
Interlocking east end switches and track changes	19,854.32		
Miscellaneous improvements and adjustments:			
Clearing Yard	8,999.40		
Outside Clearing Yard.....	357.73		
Roadway machinery and tools.....	5,726.37		
Rail to Water facilities.....	1,997.47	111,616.61	
Net expenditures during the year—			
Road Leased			\$478,070.53
EQUIPMENT LEASED FROM C. & W. I. R. R. Co.:			
EXPENDITURES AND RETIREMENTS DURING THE YEAR:			
Added:			
Diesel locomotives No. 480 and 481.....		\$329,322.41	
Chevrolet truck No. A-32.....		4,342.66	
Chevrolet truck No. A-33.....		2,105.36	
Chevrolet truck No. 34.....		1,552.03	
Miscellaneous additions		157.80	
		<u>\$337,480.26</u>	
Retired:			
Steel hopper cars Nos. 2001, 2002, 2004, 2005, 2006, 2007, 2008, 2009, 2011, 2013, 2014, 2015, 2017, 2020, 2021, 2023, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2033, 2035, 2036, 2037, 2038, 2039, 2041, 2042, 2043, 2044, 2045, and 2046.....	\$ 81,412.91		
Chevrolet truck No. A-13.....	1,706.89		
International truck No. A-16.....	3,041.87	86,161.67	
Net expenditures during the Year:			251,318.59
Equipment Leased			
Total leased additions and betterments.....			<u>\$729,389.12</u>

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

ADDITIONS AND BETTERMENTS

For the year ended December 31, 1956

Brought forward			\$729,389.12
EQUIPMENT OWNED:			
EXPENDITURES AND RETIREMENTS DURING THE YEAR:			
Added:			
Chevrolet-Suburban Carryall No. A-35....		\$ 2,491.00	
Chevrolet two-ton stake body truck No. A-36.....		3,370.26	
Installation of Fair air filters on locomotives Nos. 455 and 458.....		641.80	
Collapsible power reel for truck No. A-29		157.80	
		\$ 6,660.86	
Retired:			
International eight-passenger Travelall No. A-30	\$ 2,213.41		
Diamond T two-ton stake body truck No. A-19	3,292.70	\$ 5,506.11	
Net expenditures during the Year:			
Equipment owned			1,154.75
Total leased and owned for the year 1956.....			\$730,543.87

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

RENT FOR LEASED ROADS AND EQUIPMENT

**For the Year ended December 31, 1956, compared with the Year
ended December 31, 1955**

	1956	1955	Increase—I Decrease—D
CHICAGO AND WESTERN INDIANA R. R.:			
Interest for one year at 4½%, as follows:			
\$14,000,000.00, the value placed upon the Belt Division of the Chicago and Western Indiana R. R. as it existed on May 11, 1911, and \$4,400,000.00, the cost to the Chicago and Western Indiana R. R. Co., of acquiring the property of Chicago Union Transfer Ry. Co.....	\$ 828,000.00	\$ 828,000.00	
Interest for one year at 4% upon \$996,000.00 Consolidated Mortgage Bonds Chicago and Western Indiana R. R. Co. issued and used for additions and betterments to the Belt Division, made or acquired between May 11, 1911, and September 2, 1912.....	39,840.00	39,840.00	
Interest for one year at 5½% on \$2,993,694.24 represented by First and Refunding Mortgage Series "A" Bonds and \$98,000.00 Series "C" Bonds in sinking fund	170,043.18	170,043.18	
Interest for one year at 4¼% on \$6,261,970.79 represented by First and Refunding Mortgage Series "D" Bonds in sinking fund September 1, 1952.....	266,133.76	266,133.76	
Interest for one year at 4¾% on \$6,478,436.75 First Collateral Trust Mortgage Series "A" Bonds to retire outstanding First and Refunding Mortgage 4¼% Series "D" Bonds called for redemption September 1, 1952, interest at 4¾% on \$1,719,129.19 (new money) First Collateral Trust Mortgage Series "A" Bonds sold May 28, 1952, proceeds of which were or will be expended for future additions and betterments, also repayment of Bank loans and reimbursement of Treasury cash.....	358,643.51	358,643.51	
Payment to C&WI R. R. Co. as rental, income tax on profit from sales of Belt Ry. Co. leased property Years 1952 to 1954 inclusive, amortization over the period of the lease of November 1, 1912 the Belt Ry. Co. proportion of expenses in connection with the refinancing through sale of 4¼% Bonds. Credit of interest at 4½% on \$301,237.63 covering adjustment of Joint Facility Zone rental and other miscellaneous rental charges	140,852.31	225,023.81	(Note A) D\$ 84,171.50
Total	\$1,803,512.76	\$1,887,684.26	D\$ 84,171.50
Chicago, Peoria & Western Ry. Co.— Track at Argo, Illinois.....	2,262.52	2,237.88	I 24.64
Clearing Industrial District, Inc.— Land and Tracks at Clearing, Ill.....	57,187.68	57,083.61	I 104.07
American Brake Shoe and Foundry Co.— Strip of land located at 26th Street and Kenton Avenue.....	11.06	11.06	
Total	\$1,862,974.02	\$1,947,016.81	D \$ 84,042.79

Note "A" Due principally to decrease in payment to Chicago and Western Indiana Railroad Company for income tax on profit from sales of Belt Ry. Co. leased property.

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

OPERATING EXPENSES

For the Year ended December 31, 1956, compared with Year
ended December 31, 1955.

	1956	1955	Increase— Decrease—D	
			Amount	Percent
MAINTENANCE OF WAY AND STRUCTURES:				
Superintendence	\$ 129,495.07	\$ 119,217.32	I \$ 10,277.75	I 8.62
Roadway maintenance	130,275.41	92,144.31	I 38,131.10	I 41.38
Bridges, trestles, and culverts.....	58,035.62	10,685.77	I 47,349.85	I 443.11
Ties	38,246.88	24,207.53	I 14,039.35	I 58.00
Rails	40,193.53	179,159.04	D 138,965.51	D 77.57
Other track material.....	85,470.61	148,451.69	D 62,981.08	D 42.43
Ballast	9,189.08	16,665.18	D 7,476.10	D 44.86
Track laying and surfacing.....	388,444.18	363,053.38	I 25,390.80	I 6.99
Fences, snowsheds and signs.....	4,651.25	1,576.68	I 3,074.57	I 195.00
Station and office buildings.....	66,385.78	68,975.31	D 2,589.53	D 3.75
Roadway buildings	10,518.84	7,048.31	I 3,470.53	I 49.24
Water Stations	5,441.22	3,866.99	I 1,574.23	I 40.71
Fuel Stations	1,705.61	1,249.20	I 456.41	I 36.54
Shops and enginehouses.....	38,826.11	35,688.43	I 3,137.68	I 8.79
Wharves and docks.....		16,058.22	D 16,058.22	D 100.00
Communication systems	21,546.33	16,625.76	I 4,920.57	I 29.60
Signals and interlockers.....	188,638.23	208,155.27	D 19,517.04	D 9.38
Power plants	5,838.71	9,591.13	D 3,752.42	D 39.12
Power—transmission systems.....	15,241.39	14,503.26	I 738.13	I 5.09
Miscellaneous structures	8,859.83	5,595.15	I 3,264.68	I 58.35
Road property—Depreciation (Leased)	145,106.47	133,435.46	I 11,671.01	I 8.75
Retirements — Road.....	14,144.80	4,344.31	I 9,800.49	I 225.59
Roadway machines	15,037.36	10,195.27	I 4,842.09	I 47.49
Dismantling retired road property	3,995.02	3,848.84	I 146.18	I 3.80
Small tools and supplies.....	25,947.72	23,425.86	I 2,521.86	I 10.77
Removing snow, ice, and sand.....	43,782.26	50,649.65	D 6,867.39	D 13.56
Public improvements—Maintenance	12,139.68	7,053.96	I 5,085.72	I 72.10
Injuries to persons.....	12,970.96	6,990.82	I 5,980.14	I 85.54
Insurance	7,336.08	7,770.77	D 434.69	D 5.59
Stationery and printing.....	2,675.80	2,672.77	I 3.03	I .11
Other expenses	19,076.12	7,681.62	I 11,394.50	I 148.33
Right-of-way expenses	155.22	972.42	D 817.20	D 84.04
Maintaining joint tracks, yards and other facilities—Dr.....	102,473.79	103,045.96	D 572.17	D .56
Gross total	\$1,651,844.96	\$1,704,605.64	D \$ 52,760.68	D 3.10
Maintaining joint tracks, yards and other facilities—Cr.....	389,604.92	447,181.86	D 57,576.94	D 12.88
Net—Belt Railway— Separate operation	\$1,262,240.04	\$1,257,423.78	I \$ 4,816.26	I .38
Ratio to operating revenue.....	8.14%	8.76%		D .62

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

OPERATING EXPENSES—Continued

For the Year ended December 31, 1956, compared with the Year
ended December 31, 1955.

	1956	1955	Increase— Decrease—D	
			Amount	Percent
MAINTENANCE OF EQUIPMENT:				
Superintendence	\$ 70,072.60	\$ 65,824.50	I \$ 4,248.10	I 6.45
Shop machinery	2,140.00	6,440.56	D 4,300.56	D 66.77
Power-plant machinery	15,539.53	11,906.46	I 3,633.07	I 30.5
Shop and power plant machinery Depreciation (Leased)	10,963.24	10,879.92	I 83.32	I .77
Dismantling retired shop and power plant machinery.....	807.15		I 807.15	
Other locomotives—Repairs	630,236.16	503,077.54	I 127,158.62	I 25.28
Freight-train cars—Repairs.....	279,949.84	253,431.85	I 26,517.99	I 10.46
Work equipment—Repairs	5,566.91	5,194.86	I 372.05	I 7.16
Miscellaneous equipment—Repairs..	6,349.21	8,683.45	D 2,334.24	D 26.88
Dismantling retired equipment (Leased)		.52	D .52	D100.00
Equipment depreciation (Leased) ..	59,027.90	55,500.86	I 3,527.04	I 6.35
Equipment depreciation (Owned) ..	175,913.96	176,480.13	D 566.17	D .32
Injuries to persons.....	5,522.13	17,826.40	D 12,304.27	D 69.02
Insurance	4,621.43	4,469.29	I 152.14	I 3.40
Stationery and printing.....	3,765.02	3,548.28	I 216.74	I 6.11
Other expenses	11,033.43	4,969.98	I 6,063.45	I 122.00
Joint maintenance of equipment expenses—Dr.	118,799.84	120,944.39	D 2,144.55	D 1.77
Gross total	\$1,400,308.35	\$1,249,178.99	I \$151,129.36	I 12.10
Joint maintenance of equipment expenses—Cr.	185,611.63	162,314.77	I 23,296.86	I 14.35
Net—Belt Railway— Separate operation	\$1,214,696.72	\$1,086,864.22	I \$127,832.50	I 11.76
Ratio to operating revenues.....	7.84%	7.57%		I .27
TRAFFIC:				
Superintendence	\$ 29,095.91	\$ 23,452.09	I \$ 5,643.82	I 24.07
Outside agencies	49,424.70	42,885.89	I 6,538.81	I 15.25
Advertising	2,742.60	4,525.72	D 1,783.12	D 39.40
Stationery and printing.....	3,633.48	2,265.01	I 1,368.47	I 60.42
Gross total	\$ 84,896.69	\$ 73,128.71	I \$ 11,767.98	I 16.09
Charged to Owner Line Operation..	16,699.11	14,574.94	I 2,124.17	I 14.57
Net—Belt Railway— Separate operation	\$ 68,197.58	\$ 58,553.77	I \$ 9,643.81	I 16.47
Ratio to operating revenues.....	.44%	.41%		I .03

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

OPERATING EXPENSES—Continued

For the Year ended December 31, 1956, compared with the
Year ended December 31, 1955.

	1956	1955	Increase—I Decrease—D	
			Amount	Percent
TRANSPORTATION—RAIL LINE:				
Superintendence	\$ 365,814.90	\$ 335,384.06	I \$ 30,430.84	I 9.07
Dispatching Trains	55,596.58	51,234.54	I 4,362.04	I 8.51
Station employees	1,120,216.99	997,381.27	I 122,835.72	I 12.32
Weighing, inspection and demurrage bureaus	4,268.90	3,022.47	I 1,246.43	I 41.23
Station supplies and expenses....	86,077.14	69,641.44	I 16,435.70	I 23.60
Yardmasters and yard clerks.....	563,918.24	516,296.06	I 47,622.18	I 9.22
Yard conductors and brakemen...	2,444,494.79	2,057,691.84	I 386,802.95	I 18.80
Yard switch and signal tenders...	354,939.27	321,015.70	I 33,923.57	I 10.57
Yard enginemen	1,580,798.76	1,366,672.37	I 214,126.39	I 15.67
Yard switching fuel.....	377,404.27	334,161.50	I 43,242.77	I 12.94
Water for yard locomotives.....	35,272.90	1,662.84	I 326.08	I 19.61
Lubricants for yard locomotives...	1,988.92	25,922.34	I 9,350.56	I 36.07
Other supplies for yard locomotives	24,479.74	20,002.73	I 4,477.01	I 22.38
Enginehouse expenses—Yard	162,928.60	142,090.30	I 20,838.30	I 14.67
Yard supplies and expenses.....	577,592.73	521,409.71	I 56,183.02	I 10.78
Crossing protection	78,564.76	73,282.76	I 5,282.00	I 7.21
Communication system operation.	19,868.75	16,030.33	I 3,838.42	I 23.94
Stationery and printing.....	85,864.80	62,225.40	I 23,639.40	I 37.99
Other expenses	82,080.43	18,894.18	I 63,186.25	I 334.42
Insurance	15,684.90	14,478.14	I 1,206.76	I 8.34
Clearing wrecks.....	28,622.92	16,447.04	I 12,175.88	I 74.03
Damage to property.....	25,688.07	10,324.95	I 15,363.12	I 148.80
Loss and damage—Freight.....	113,139.08	67,896.97	I 45,242.11	I 66.63
Injuries to persons.....	115,439.25	88,798.35	I 26,640.90	I 30.00
Operating joint yards and terminals—Dr.	502,769.86	512,633.59	D 9,863.73	D 1.92
Gross total	\$8,823,515.55	\$7,644,600.88	I \$1,178,914.67	I 15.42
Operating joint yards and terminals—Cr.	1,524,906.94	1,296,264.75	I 228,642.19	I 17.64
Net—Belt Railway— Separate operation	\$7,298,608.61	\$6,348,336.13	I \$ 950,272.48	I 14.97
Ratio to operating revenues.....	47.07%	44.21%		I 2.86

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

OPERATING EXPENSES—Concluded

For the Year ended December 31, 1956, compared with the Year
ended December 31, 1955

	1956	1955	Increase—I Decrease—D	
			Amount	Percent
GENERAL:				
Salaries and expenses of general officers	\$ 106,130.49	\$ 101,620.02	I \$ 4,510.47	I 4.44
Salaries and expenses of clerks and attendants	303,475.89	285,843.12	I 17,632.77	I 6.17
General office supplies and expenses	74,974.67	36,912.62	I 38,062.05	I 103.11
Law expenses	45,206.75	44,102.79	I 1,103.96	I 2.50
Insurance	1,120.87	99.89	I 1,020.98	.....
Pensions and gratuities	33,333.13	23,592.59	I 9,740.54	I 41.29
Stationery and printing.....	14,520.28	14,702.58	D 182.30	D 1.24
Valuation expenses	94.18	250.85	D 156.67	D 62.46
Other expenses	46,547.24	45,599.49	I 947.75	I 2.08
General joint facilities—Dr.....	3,993.43	3,869.30	I 124.13	I 3.21
Gross total	\$ 629,396.93	\$ 556,593.25	I \$ 72,803.68	I 13.08
General joint facilities—Cr.....	127,002.87	112,915.54	I 14,087.33	I 12.48
Net—Belt Railway— Separate operation	\$ 502,394.06	\$ 443,677.71	I \$ 58,716.35	I 13.23
Ratio to operating revenues.....	3.24%	3.09%		I .15
Total gross	\$12,589,962.48	\$11,228,107.47	I \$1,361,855.01	I 12.13
Total deductions	2,243,825.47	2,033,251.86	I 210,573.61	I 10.36
Total operating expenses— (Belt Railway— Separate operation)	\$10,346,137.01	\$ 9,194,855.61	I \$1,151,281.40	I 12.52

Summary	1956	1955	Increase—I Decrease—D	
			Amount	Percent
Maintenance of way and structures	\$ 1,262,240.04	\$ 1,257,423.78	I \$ 4,816.26	I .38
Maintenance of equipment.....	1,214,696.72	1,086,864.22	I 127,832.50	I 11.76
Traffic	68,197.58	58,553.77	I 9,643.81	I 16.47
Transportation—Rail Line	7,298,608.61	6,348,336.13	I 950,272.48	I 14.97
General	502,394.06	443,677.71	I 58,716.35	I 13.23
Total railway operating expenses	\$10,346,137.01	\$ 9,194,855.61	I \$1,151,281.40	I 12.52
Operating expenses to operating revenues—(operating ratio)	66.73%	64.04%		I 2.69
Operating revenue per car.....	\$ 12.410	\$ 11.886	I \$.524	I 4.41
Operating expenses per car.....	\$ 8.281	\$ 7.611	I \$.670	I 8.80

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

CARS HANDLED

Cars handled by the Belt Railway Company of Chicago in its "Separate Operations"	1956		1955		Increase or Decrease Percent
	Number	Percent	Number	Percent	
INTERCHANGE:					
Loaded cars	381,289	30.52	386,795	32.02	D 1.42
Empty cars	272,906	21.84	266,830	22.09	I 2.28
LOCAL:					
Loaded cars	315,939	25.29	299,046	24.75	I 5.65
Empty cars	279,228	22.35	255,386	21.14	I 9.33
Total	1,249,362	100.00	1,208,057	100.00	I 3.42
TOTAL:					
Loaded cars	697,228	55.81	685,841	56.77	I 1.66
Empty cars	552,134	44.19	522,216	43.23	D 5.73
Total	1,249,362	100.00	1,208,057	100.00	I 3.42
Cars interchanged directly between Owner Roads at Clearing and other yards, being handled by the Belt Railway through those yards, also cars handled by Owner Lines in direct movement over The Belt Railway Company of Chicago.....					
	752,903		731,664		I 2.90
Total cars handled.....	2,002,265		1,939,721		I 3.22

The following statement shows the number of cars handled by The Belt Railway Company of Chicago in its "separate operations" annually during the past five years.

Year	Interchange		Local		Total Cars
	Loaded	Empty	Loaded	Empty	
1952.....	464,816	318,979	260,321	197,093	1,241,209
1953.....	404,778	324,369	270,204	217,156	1,216,507
1954.....	354,588	288,373	260,662	222,334	1,125,957
1955.....	386,795	266,830	299,046	255,386	1,208,057
1956.....	381,289	272,906	315,939	279,228	1,249,362

The following statement shows the number of cars interchanged during the last five years directly between Owner Roads at Clearing and other yards, being handled by the Belt Railway through those yards, also cars handled by Owner Lines in direct movement over The Belt Railway Company of Chicago.

Year	Number of Cars
1952.....	792,989
1953.....	797,564
1954.....	703,569
1955.....	731,664
1956.....	752,903

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

EQUIPMENT LEASED

	Number on Hand Dec. 31 1955	Number Added During Year	Number Retired During Year	Number on Hand Dec. 31, 1956
LOCOMOTIVES:				
Diesel	14	2	0	16
FREIGHT CAR EQUIPMENT:				
Box	1	0	0	1
Hopper	35	0	35	0
Caboose	28	0	0	28
Total	64	0	35	29
WORK EQUIPMENT:				
Wrecking derrick	1	0	0	1
Diesel clamshell	1	0	0	1
Tool car	1	0	0	1
Refrigerator cars	2	0	0	2
Commissary car	1	0	0	1
Gondola car	1	0	0	1
Total	7	0	0	7
MISCELLANEOUS EQUIPMENT:				
Automobile trucks	8	3	2	9

EQUIPMENT OWNED

LOCOMOTIVES:				
Diesel	32	0	0	32
FREIGHT CAR EQUIPMENT:				
Caboose	6	0	0	6
Box	1	0	0	1
Total	7	0	0	7
WORK EQUIPMENT:				
Flat cars	4	0	0	4
Gondola cars	3	0	0	3
Truck car	1	0	0	1
Refrigerator cars	2	0	0	2
Instruction car	1	0	0	1
Total	11	0	0	11
MISCELLANEOUS EQUIPMENT:				
Automobiles:				
Truck	3	1	1	3
Travelall	1	0	1	0
Suburban carryall	0	1	0	1
Total	4	2	2	4

ANNUAL REPORT OF THE BELT RAILWAY CO. OF CHICAGO

MILEAGE OF TRACK OPERATED

	1956					1955					In-crease or De-crease
	First Main	Second Main	Other Mains	Yard Tracks and Sidings	Total	First Main	Second Main	Other Mains	Yard Tracks and Sidings	Total	
A. Leased from C. & W. I. R. R. Co.											
B. Leased from Other Companies											
C. Operated under trackage rights—C. & W. I. R. R. Co.											
D. Operated under trackage rights—Other Companies											
A- 1 Cragin to Pullman Junction.....	19.32	19.31	.....	67.40	106.03	19.32	19.31	.....	70.44	109.07	D 8.04
2 Pullman Junction to Commercial Avenue	2.10	2.05	.....	34.03	38.18	2.10	2.05	.....	34.03	38.18	.....
3 Commercial Avenue to Steel Mills.....	.....	.....	.....	1.06	1.06	.....	.....	.....	1.06	1.06	.....
4 Commercial Avenue to South Deering....	.....	.....	.....	34.87	34.87	.....	.....	.....	25.33	25.33	I 9.54
5 Main Line, 55th Street to Elsdon.....	1.51	.....	.....	.17	1.68	1.51	.....	.....	.17	1.68	.....
6 Clearing Yard, including 59th Street Line	4.23	4.24	.....	176.70	185.17	4.23	4.24	.....	176.69	185.16	I .01
Total.....	27.16	25.60	.....	314.23	366.99	27.16	25.60	.....	307.72	360.48	I 6.51
B- 7 Chicago, Peoria & Western R. R. (Argo)	.....	.....	.....	.52	.52	.....	.....	.....	.52	.52	.....
8 Clearing Industrial District.....	.....	.....	.....	13.31	13.31	.....	.....	.....	13.29	13.29	I .02
Total.....	.....	.....	.....	13.83	13.83	.....	.....	.....	13.81	13.81	I .02
C- 9 Pullman Junction to Burnham.....	6.78	6.68	4.37	2.13	19.96	6.78	6.68	4.37	2.13	19.96	.....
10 80th St. to 134th St. (Dolton Branch)...	6.74	6.76	3.81	.29	*17.60	6.74	6.76	3.81	.29	*17.60	.....
11 40th St. to 74th St.....	.....	.....	4.26	.....	* 4.26	.....	.....	4.26	.....	* 4.26	.....
Total.....	13.52	13.44	12.44	2.42	41.82	13.52	13.44	12.44	2.42	41.82	.....
D-12 C. R. I. & P. Ry.—South Chicago.....	.....	.....	.....	1.57	1.57	.....	.....	.....	1.57	1.57	.....
13 P. F. W. & C. Ry.—South Chicago.....	.....	.....	.....	.09	.09	.....	.....	.....	.09	.09	.....
14 I. H. B. R. R.—55th to Elsdon.....	1.41	1.40	.....	.....	* 2.81	1.41	1.40	.....	.....	* 2.81	.....
15 B. & O. C. T. R. R.—Clearing to Proviso	9.05	8.09	.....	13.70	30.84	9.05	8.09	.....	13.70	30.84	.....
16 B. & O. C. T. R. R.—Southwest Division (Cicero District)	.....	.....	.....	6.08	6.08	.....	.....	.....	6.08	6.08	.....
17 N. Y. C. & ST. L. R. R.—Ford Yard and Lead.....	.....	.....	.....	1.11	1.11	.....	.....	.....	1.11	1.11	.....
18 Calumet Western R. R.—112th to 116th Street.....	.51	.....	.....	.....	.51	.51	.....	.....	.....	.51	.....
19 Pennsylvania R. R. & I. H. B. R. R. (Joint) 116th to 117th St.....	.11	.....	.....	.....	.11	.11	.....	.....	.....	.11	.....
Total.....	11.08	9.49	.....	22.55	43.12	11.08	9.49	.....	22.55	43.12	.....
Total.....	51.76	48.53	12.44	353.03	465.76	51.76	48.53	12.44	346.50	459.23	I 6.53

* Trackage Rights Not Exercised.

Increase of 6.53 miles principally due to construction of additional tracks at South Chicago to provide facilities for handling additional volume of coal by Rail to Water Transfer Corporation less decrease account retirement of tracks in Hawthorne Yard.

Above figures do not include Yard Tracks leased to The Belt Railway Co. of Chicago by Chicago and Western Indiana Railroad Co., but operated exclusively as follows:

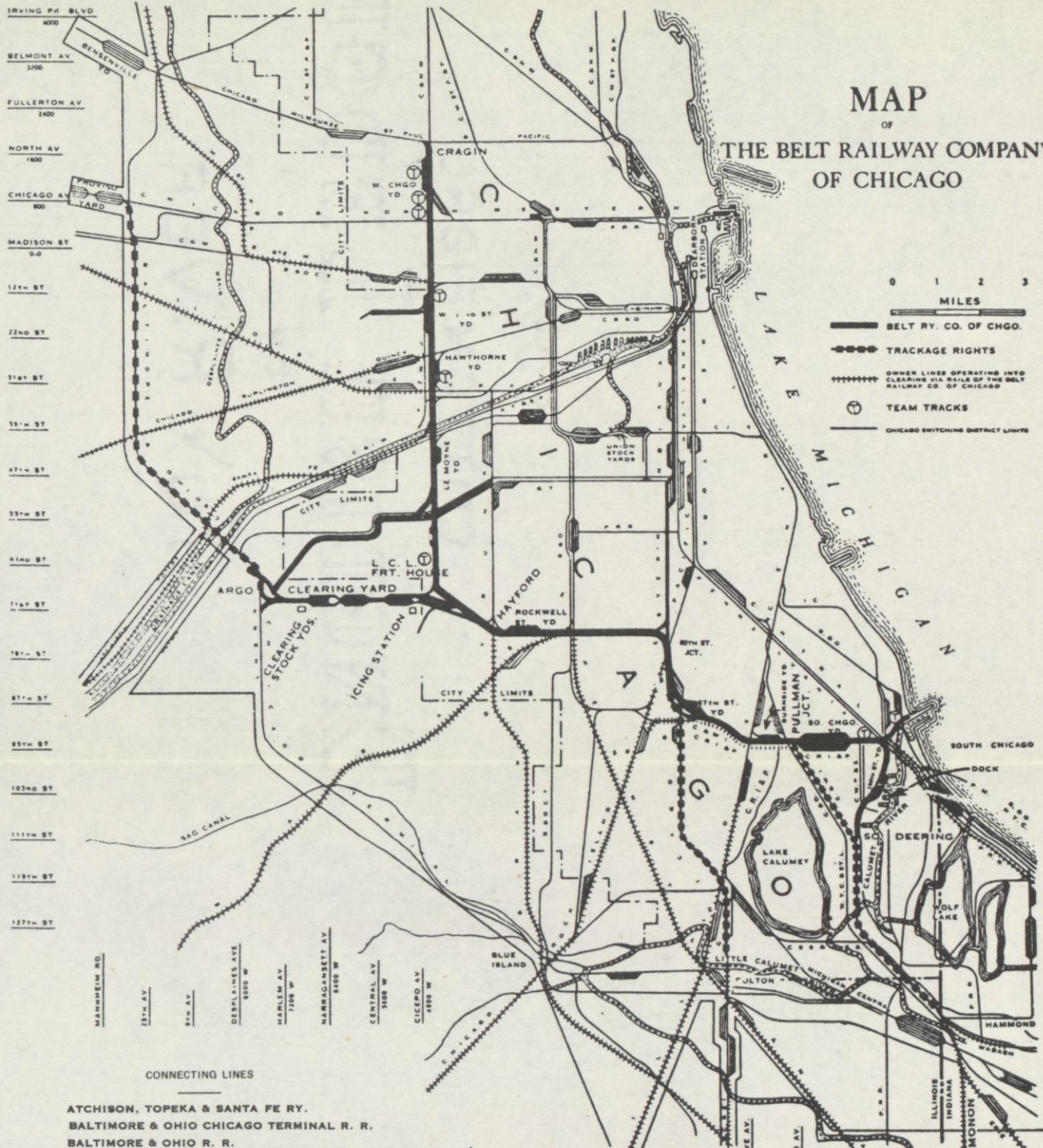
1956	1955	
1.46	1.46	Miles—Warner Branch by C. W. P. & S. R. R.
9.18	9.20	Miles—Rockwell St. Yard by C. & O. Ry. Co.
10.64	10.66	Miles—Leased to but not operated by The Belt Ry. Co. of Chicago

TRackage RIGHTS GRANTED OTHER COMPANIES

Company	Location	Miles	Road
		1956	1955
I. H. B. R. R.....	Elsdon Branch	1.51	1.51
E. J. & E. R. R.....	South Chicago to Millgate and South Deering.....	3.40	3.40
Chicago Short Line.....	South Chicago to South Deering.....	2.90	2.90
Total		7.81	7.81

MAP

OF THE BELT RAILWAY COMPANY OF CHICAGO



CONNECTING LINES

ATCHISON, TOPEKA & SANTA FE RY.
BALTIMORE & OHIO CHICAGO TERMINAL R. R.
BALTIMORE & OHIO R. R.
CHESAPEAKE & OHIO RY.
CHICAGO & EASTERN ILLINOIS R. R.
CHICAGO & ILLINOIS WESTERN R. R.
CHICAGO & NORTHWESTERN RY.
CHICAGO & WESTERN INDIANA R. R.
CHICAGO, BURLINGTON & QUINCY R. R.
CHICAGO GREAT WESTERN RY.
CHICAGO, MILWAUKEE, ST. PAUL AND
PACIFIC R. R.
CHICAGO RIVER & INDIANA R. R.
CHICAGO, ROCK ISLAND & PACIFIC R. R.
CHICAGO SHORT LINE RY.
CHICAGO SOUTH SHORE & SOUTH BEND R. R.
CHICAGO, WEST PULLMAN AND SOUTH-
ERN R. R.
CLEVELAND, CINCINNATI, CHICAGO &
ST. LOUIS RY.
ELGIN, JOLIET & EASTERN RY.
ERIE R. R.

GRAND TRUNK WESTERN R. R.
GULF, MOBILE & OHIO R. R.
ILLINOIS CENTRAL R. R.
ILLINOIS NORTHERN RY.
INDIANA HARBOR BELT R. R.
MANUFACTURERS' JUNCTION RY.
MICHIGAN CENTRAL R. R.
MINNEAPOLIS, ST. PAUL & SAULT STE.
MARIE R. R.
MONON R. R.
NEW YORK CENTRAL R. R.
NEW YORK, CHICAGO & ST. LOUIS R. R.
PENNSYLVANIA R. R.
WABASH R. R.